GOVERNMENT OF INDIA
AGRO AND RURAL INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:864
ANSWERED ON:06.03.2007
AGRO AND RURAL INDUSTRIES SCHEMES
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Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

(a): the number and names of sponsored schemes of the Ministry being run in the country including Jharkhand;

(b): the amount provided for above schemes particularly to Jharkhand during the last three years, Scheme-wise, State and Union Territory-wise;

(c): the steps taken by the Government to safeguard the interest of Agro and Rural Industries; and

(d): the extent to which the Government achieved success in this regard?

Answer

MINISTER OF SMALL SCALE INDUSTRIES & AGRO AND RURAL INDUSTRIES (SHRI MAHABIR PRASAD)

(a): The Government (in the Ministry of Agro and Rural Industries) has been implementing the following schemes through Khadi and Village Industries Commission (KVIC), Coir Board and Pradhan Mantri Rozgar Yojana (PMRY) in the country, including Jharkhand.

(i) Schemes for development of Khadi and Polyvastra activities: For this purpose, Interest Subsidy Eligibility Certificate (ISEC) is issued in favour of implementing agencies for availing institutional finance to meet working capital requirement of khadi and polyvastra activities, at 4% rate of interest and the difference between 4% and actual lending rate is subsidized by KVIC. 10% Rebate is provided on retail sales of Khadi/Polyvasta products as normal rebate throughout the year and another 10% special rebate for 108 days in the year.

(ii) Scheme of Product Development Design Intervention and Packaging (PRODIP) has been launched in order to diversify and develop products under Khadi & Village Industries and also to improve the packaging of the various KVI products.

(iii) Scheme of Fund for Re-generation of Traditional Industries (SFURTI) has been launched in October, 2005 for regeneration of traditional industries in 104 identified clusters, comprising 29 Khadi, 50 Village Industries and 25 Coir clusters across the country.

(iv) A Rural Industries Service Centre (RISC) scheme is in vogue for providing common facility services to KVI programmes on a cluster based manner.

(v) Rural Employment Generation Programme (REGP) is being implemented for establishing village industries projects with margin money assistance from KVIC and loan from public sector scheduled commercial banks.

(vi) PMRY is being implemented for creating employment opportunities for the educated unemployed youth in the rural as well as urban areas.

(b): State/Union Territory-wise (including Jharkhand) details of funds provided under Khadi and Village Industries (KVI), ISEC, REGP during last three years in respect of KVIC are at Annexure-I, Annexure-II and Annexure-III respectively. State/Union Territory- wise (including Jharkhand) details of funds provided during last three years in respect of PMRY are at Annexure-IV.

(c): Steps have been taken to protect the interest of Agro and Rural Industries. In order to help the entrepreneurs engaged under Agro and Rural Industries, the Government (in the Ministry of Agro and Rural Industries) has launched REGP under which financial assistance in the form of margin money grant is provided for setting up of Agro and Rural Industries projects. Financial assistance for various backward forward purposes to units engaged in Agro and Rural Industries has also been provided to the entrepreneurs. Other initiatives include brand building, price competitiveness, quality control measures etc. to help agro and rural industries units to protect them from the competitions of similar products of multi national companies. Three exclusive brands such as `Deshi Aahar`, `Khadi` and `Sarvodaya` have been introduced to identify the distinctiveness of agro and rural industries products. Price competitiveness is sought to be achieved through lower capital cost, tax and non-tax concession being extended from time to time and cheaper marketing facilities through already available marketing outlets, organizing exhibitions/ events, etc. The Government has also granted deemed Export Promotion Council (EPC) status to KVIC to assist the export oriented KVI units. Quality of products is ensured by extending financial assistance for testing laboratories, packaging improvement by launching a scheme for Product Development, Design Intervention and Packaging (PRODIP) and Common Facility Services are provided through a scheme known as Rural Industries Consultancy Services (RISC). Further a Scheme of Fund for Regeneration of Traditional Industries (SFURTI) is also launched for the revival of traditional activities in a cluster based manner hrough KVIC and Coir Board.

(d): The REGP which was launched for generating additional employment in rural areas has been able to generate 5.68 lakh additional employment opportunities during 2005-06 against the target of 5.56 lakh. This has also helped to augment the credit flow to rural industries from the commercial banks to the tune of Rs.730 crore in 2005. As a result of various measures taken by Government for the promotion of agro and rural industries, the overall physical performance of KVI programme was at a higher scale during 2005-06, over the preceding year as per the details given below :

Year	Production (Rs. crore)			Employment (lakh)		
	Khadi	V.I.	Total	Khadi	V.I.	Total
2004-05	461.54	10458.89	10920.43	8.64	68.14	76.78
2005-06	468.30	11915.54	12383.84	8.68	74.09	82.77

The State/Union Territory-wise progress made under PMRY during last three years 2003-04, 2004-05 and 2005-06 is given at Annexure-V.